INFORMATION LETTER

Not for Publication — NATIONAL CANNERS ASSOCIATION — For Members Only

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B-U-L-L-E-T-I-N

As the *Letter* went to press a threatened strike in 26 widely-distributed American Can Company plants, to begin this weekend, had been reported. The Association has brought to the attention of the state and regional associations in the areas that would be involved the great loss of canning crops and packs that would ensue from a strike of such proportions. N.C.A. will post its membership promptly as to developments in the situation.

Wisconsin Canning History

Advance subscriptions are being solicited for "The Story of Wisconsin's Great Canning History" written by Fred A. Stare, past president of the National Canners Association.

A descriptive leaflet is being circulated to the industry by the Wisconsin Canners Association with attached order forms enabling purchasers to apply for autographed copies in advance of publication. The price of the book (640 pages, illustrated, cloth binding) is $6 per copy for one to nine copies; on orders of 10 to 19 copies a discount of 10 percent will be given, making the price $5.40; and on orders of 20 copies up the discount is 20 percent or $4.80 price. Checks should be

(Please turn to page 284)

Canned Mushroom Hearing

The public hearing on a proposal to amend the standard of identity for canned mushrooms to permit the use of ascorbic acid was held on August 18. The proponents of the amendment introduced evidence on the basis of experimental packs to show that the use of ascorbic acid did prevent the darkening of mushrooms packed in glass containers. A period of 15 days from August 18 was designated by the presiding officer for the correction of the record and for the submission of briefs based on the evidence in the record.

Senate to Debate Wage-Hour

Debate on amendments to the wage-hour law is scheduled to commence in the Senate on Monday, August 22. Under consideration will be S. 653 which was favorably reported to the Senate on July 8 by the Committee on Labor and Public Welfare. As reported, the bill would raise the minimum wage to 75 cents an hour. It would not change the existing overtime exemptions applicable to canners and overtime exemption for the fishery and seafood industries. However, the bill would bring "area of production" processing and canning activities under the minimum wage requirements of the law.

Since its passage by the House on August 11, the amended Lucas bill (bearing the Lesinski bill number, H.R. 5856) has been on the Senate calendar. Although drafted as a complete rewrite of the Fair Labor Standards Act, the House bill retains the present wording of the fruit and vegetable exemptions. The power to define "area of production" is placed in the Secretary of Agriculture under the House bill, whereas the Administrator of the Act now has that authority.

As pointed out in last week's issue of the INFORMATION LETTER, the fishery and seafood exemption in part is greatly reduced and in part made meaningless by the adoption of the Bates amendment. The text of the agricultural and fishery exemptions as contained in the House bill is reproduced on page 282.

Pricing Bill in Conference

By a vote of 50 to 28 the Senate on August 12 sent the delivered pricing bill, S. 1008, to a conference with the House. Conferees held their first meeting on August 17 in efforts to reconcile the conflict between the Kefauver amendment that had been adopted by the Senate and the Carroll amendment that had received House approval.

Report on N. Y. City Tax

A review of recent developments in the New York City Gross Receipts Tax situation was prepared and mailed by the Association this week to all member canners and to secretaries of the state and regional canning associations.

House Bill Would Restrict Acquisition of Assets

The Celler bill, H. R. 2734, which would amend the Clayton Act to prohibit the acquisition by one corporation of the assets of another where the effect of such acquisition may be substantially to lessen competition was passed by the House on August 5.

Section 7 of the Clayton Act now provides that no corporation may acquire the *stock* of another corporation where the effect of the acquisition may be substantially to lessen competition or to tend to create a monopoly, but the courts have held that this provision does not prohibit one corporation from purchasing the physical *assets* of another corporation. Since 1927 the Federal Trade Commission has urged that legislation be adopted to close this loophole, but the legislation has failed of adoption each session. In the 79th and 80th Congresses legislation similar to the Celler bill was reported out by the House Judiciary Committee but never was debated by either the House or the Senate.

When a bill similar to the present bill was pending before the Senate Judiciary Committee in the 80th Congress the Association submitted a statement to the Committee urging that the term "assets" be defined to

CONGRESS

exclude "stock in trade, inventories, or other property held by a corporation primarily for sale to customers in the ordinary course of its trade or business." In this statement it was pointed out that a canner often finds it necessary to purchase canned foods from competing packers in order to fill out his line when crop failure has curtailed his own pack. The Celler bill does not define the term "assets," and the subject was not mentioned either in the House Committee report or on the floor of the House. Thus it is not clear whether or not the bill as it passed the House prohibits the purchase by one corporation of any part of a competitor's stock in trade or inventory.

The bill now goes to the Senate Judiciary Committee, and Senator McCarran, the Chairman of this Committee, has announced that full hearings will be held. In view of the crowded state of the Senate calendar, it appears unlikely that the measure will reach the Senate floor this session.

Social Security Bill Reported

Following weeks of executive consideration, the House Committee on Ways and Means this week voted to report to the House a bill, H. R. 6000, to broaden the coverage of the Social Security Act, to increase the benefits under the Act, and to raise the contribution rates.

Committee Chairman Doughton has been authorized by the Committee to seek a rule for House action on the measure at this session. It is unlikely, however, that the Senate will take any action before next year.

Employment Units Switched

The President's Reorganization Plan No. 2 will become effective today following Senate approval this week of the proposed transfer of the Bureau of Employment Security to the Department of Labor. The Bureau includes the Federal Unemployment Compensation Commission and the U. S. Employment Service. These two agencies at present are in the Federal Security Agency.

Opponents of the transfer had argued that such functions should be retained in an independent agency of the Government and not made a part of the Department of Labor.

Canning Exemptions Provided Canners in Lucas Bill

Following is the text of Sections 7(a) and (b)(3), 7(c), 13(a)(1), (6), (7), and 13(a)(11) of H. R. 5856, the Lucas bill as passed by the House on August 11 and now pending on the Senate calendar.

Maximum Hours

SEC. 7. (a) Except as otherwise provided in this section, no employer shall employ any of his employees who is engaged in commerce or in the production of goods for commerce for a work week longer than forty hours, unless such employee receives compensation for his employment in excess of the hours above specified at a rate not less than one and one-half times the regular rate at which he is employed.

(b) No employer shall be deemed to have violated subsection (a) by employing any employee for a work week in excess of that specified in such subsection without paying the compensation for overtime employment prescribed therein if such employee is so employed—

* * *

(3) for a period or periods of not more than fourteen work weeks in the aggregate in the calendar year in any industry found by the Administrator to be of a seasonal nature, or in any industry engaged in the first processing or canning of fish in the raw or natural state, and if such employee receives compensation for employment in excess of twelve hours in any workday, or for employment in excess of fifty-six hours in any work week, as the case may be, at a rate not less than one and one-half times the regular rate at which he is employed.

(c) In the case of an employer engaged in the first processing of milk, buttermilk, whey, skimmed milk, or cream into dairy products, or in the ginning and compressing of cotton, or in the processing of cotton seed, or in the processing of sugar beets, sugarbeet molasses, sugarcane, or maple sap, into sugar (but not refined sugar) or into sirup, the provisions of subsection (a) shall not apply to his employees in any place of employment where he is so engaged; and in the case of an employer engaged in the first processing of, or in canning or packing, perishable or seasonal fresh fruits or vegetables, or in the first processing, within the area of production (as defined by the Secretary of Agriculture), of any agricultural or horticultural commodity during seasonal operations, or in handling, slaughtering, or dressing poultry or livestock, the provisions of subsection (a), during a period or periods of not more than fourteen work weeks in the aggregate in any calendar year, shall not apply to his employees in any place of employment where he is so engaged.

Exemptions

SEC. 13. (a) The provisions of sections 6 and 7 shall not apply with respect to (1) any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator). * * *

(6) any employee employed in the catching, taking, harvesting, cultivating, or farming of any kind of fish, shellfish, crustacea, sponges, seaweeds, or other aquatic forms of animal and vegetable life, including the going to and returning from work and including employment in the loading, unloading, or packing of such products for shipment or in (except fish) (except fish) curing, storing, or distributing the above products or byproducts thereof; or

(7) any employee employed in agriculture; or * * *

(11) any individual employed within the area of production (as defined by the Secretary of Agriculture), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products; * * *

STATISTICS

Canned Vegetable Prospects

The sweet corn crop for processing is estimated by the U. S. Bureau of Agricultural Economics at 1,221,600 tons as of August 1. This is about 40,000 tons less than the 1948 production but nearly 185,000 tons above the 10-year average (1938-47). The estimated 1949 crop of 2,435,700 tons of processing tomatoes in prospect on August 1 is about 18 percent less than the 1948 production of 2,910,300 tons and 10 percent less than the average of 2,714,400 tons, BAE reports. The August 1 report showed that 342,170 tons of green peas were indicated August 1 as the 1949 production, comparing with 353,960 tons produced in 1948 and with the 10-year average of 382,920. Snap bean tonnage indicated for 1949 comes to 221,220 tons as against 182,830 tons in 1948 and 180,070 tons average.

The aggregate production of these four processing vegetables in prospect on August 1 is about 4.2 million tons. This is about 10 percent less than the 1948 production and 2 percent less than average.

Sour Cherry Production

Preliminary estimates of sour cherry production as of August 1, reported by the U. S. Bureau of Agricultural Economics indicate a reduction of tonnage in three of the important Eastern States—New York, Michigan, and Wisconsin—compared with 1948 production.

Indications for New York are 15,200 tons, compared with 20,500 in 1948 and a 10-year average (1938-47) of 17,010; for Michigan tentative estimates of 1949 production come to 52,300 tons, which compares with 69,000 last year and 36,200 average; and for Wisconsin, 11,100 indicated tons for 1949, compared with 25,000 in 1948 and a 10,730 ton average.

Total tonnage for the five Eastern and seven Western States that produce sour cherries for processing is 102,330 tons for 1949, compared with a 1948 production of 134,760 tons and a 10-year average of 86,293 tons, according to the BAE crop report of August 1.

DEATH

Navy Captain Ney Dies

The Association has been advised of the death last week in California of Captain E. F. Ney, 56, U.S.N. retired, who, as chief of the Navy's subsistence section, headed the purchase of Navy food in World War II and for some years previous. Burial took place August 11 in Golden Gate National Cemetery, San Bruno, Calif. Captain Ney had made his home in San Bruno since his retirement in 1946.

Captain Ney was born in Newport, R. I., in 1892 and enlisted in the Navy in 1912. Following various assignments his particular ability as a supply officer was recognized when he was placed in charge of that office for Division 27 of the Destroyer Scouting Fleet from 1922 to 1925. This was followed by various subsistence assignments in Chicago, Boston, the Philippines and in the Asiatic Fleet.

In 1937 he was ordered to the Bureau of Supplies and Accounts in Washington which brought him into close contact with the canning industry and began his several years of association with canners in his management of Navy canned foods procurement. He spent World War II in the Bureau of Supplies and Accounts and was extremely active in provision and subsistence matters. Captain Ney attended the N.C.A. Convention of 1941 in Chicago. In October, 1945, he was awarded the Legion of Merit in recognition of his service in Supplies and Accounts.

PERSONNEL

New Pomona Plant Manager

O. H. Starnes was recently made manager of the citrus plant of Pomona Products Company at Clermont, Fla., according to an announcement by Walter L. Graefe, president of that firm.

Mr. Starnes formerly was with Florida Gold Citrus Corporation and Mann Brothers at Lakeland.

Campbell Executive Promoted

W. B. Murphy was elected executive vice president of Campbell Soup Company, Camden, N. J., effective August 15, it is announced by James McGowan, Jr., president.

Mr. Murphy joined the Campbell organization in 1938 as assistant to the general manager. He served in that capacity until 1946, when he became executive assistant to the president. From 1942 to 1945, he served as one of the ranking officials of the War Production Board.

Association Officers

National Kraut Packers Association

The National Kraut Packers Association reelected the following officers recently at its annual meeting:

President—Art Henkel, Fremont Kraut Co., Fremont, Ohio; vice president—Martin Meeter, Lansing, Ill.; and secretary-treasurer—Roy Irons, Clyde, Ohio.

Kitchen Appointed to ECA

Appointment of C. W. Kitchen as Deputy Director of the Food and Agriculture Division of the Economic Cooperation Administration was announced recently by Deputy ECA Administrator William C. Foster.

Mr. Kitchen has been executive vice president of the United Fresh Fruit and Vegetable Association with headquarters in Washington, and was named to the new ECA post as deputy to Dr. D. A. FitzGerald, director of the Food and Agriculture Division.

Prior to accepting his position with the fruit and vegetable association, Mr. Kitchen had served 34 years with the Department of Agriculture in various capacities including the post of assistant administrator of the Production and Marketing Administration.

Ritter Sales Manager

The P. J. Ritter Co., Bridgeton, N. J., announces the appointment of Robert W. Lore as sales manager. All merchandising and sales activities of the company will be under Mr. Lore's direction.

Invitations for Bids

Quartermaster Purchasing Offices—111 East 16th Street, New York 3, N. Y.; 1819 West Pershing Road, Chicago 9, Ill.; Oakland Army Base, Oakland 14, Calif. (Western Branch).

Veterans Administration—Procurement Division, Veterans Administration Building, Washington 25, D. C.

The Walsh-Healey Public Contracts Act will apply to all operations performed after the date of notice of award if the total value of a contract is $10,000 or over.

The QMC has invited sealed bids to furnish the following:

CANNED LIMA BEANS (Extra Standard)—6,500 dozen No. 10 and 940 dozen No. 2 cans, f.o.b. origin. Bids due at Chicago under Bid No. QM-11-183-50-73 by Aug. 23.

CANNED VIENNA SAUSAGE—950,004 pounds in 24-oz. cans, f.o.b. origin. Bids due at Chicago under Bid No. QM-11-183-50-88 by Aug. 23.

CANNED LUNCHEON MEAT (Pork and Beef)—650,016 pounds in 6-lb. cans, f.o.b. origin. Bids due at Chicago under Bid No. QM-11-183-50-89 by Aug. 30.

CANNED CORNED BEEF HASH—360,024 pounds in 6-lb. 12-oz. cans, f.o.b. origin. Bids due at Chicago under Bid No. QM-11-183-50-90 by Sept. 6.

CANNED CHILI CON CARNE (Without Beans)—99,996 pounds in 6-lb. 8-oz. cans, f.o.b. origin. Bids due at Chicago under Bid No. QM-11-183-50-91 by Sept. 13.

CANNED BEEF (Parboiled, Steam Roasted)—100,008 pounds in 6-lb. cans, f.o.b. origin. Bids due at Chicago under Bid No. QM-11-183-50-92 by Sept. 15.

The Veterans Administration has invited sealed bids to furnish the following:

CANNED BOYSENBERRIES—15,000 dozen No. 10 cans. Bids due under Invitation No. 27-S by Aug. 25.

CANNED GRAPEFRUIT—5,000 dozen No. 2 cans. Bids due under Invitation No. 28-S by Aug. 29.

CANNED ASPARAGUS—5,000 dozen No. 10 cans. Bids due under Invitation No. 29-S by Aug. 31.

CANNED GREEN BEANS—9,000 dozen No. 10 cans. Bids due under Invitation No. 30-S by Sept. 1.

CANNED RSP CHERRIES (Standard)—2,250 dozen No. 10 cans, water-pack. Bids due under Invitation No. 31-S by Aug. 31.

CANNED LIGHT SWEET CHERRIES unpitted (Choice)—1,000 dozen No. 2 cans, water-pack and 1,500 dozen No. 10 cans. Bids due under Invitation No. 31-S by Aug. 31.

CANNED FRUIT COCKTAIL (Choice)—7,000 dozen No. 10 cans. Bids due under Invitation No. 32-S by Sept. 1.

CANNED APRICOTS halved, unpeeled (Choice)—2,250 dozen No. 10 cans. Bids due under Invitation No. 33-S by Sept. 2.

CANNED APRICOTS halved, unpeeled (Diabetic) (Choice)—4,000 dozen No. 2 cans, water-pack. Bids due under Invitation No. 33-S by Sept. 2.

FISHERIES

Carry to Represent State Department at FAO Meeting

Charles R. Carry, Director of the Association's Fishery Products Division, has been designated by the Department of State as one of their official representatives at FAO's international conference on herring and allied species, to commence at The Hague, the Netherlands, August 29.

Other members of the official U. S. delegation include A. W. Anderson, Chief, Branch of Commercial Fisheries, Fish and Wildlife Service; M. W. Wallar, Dairy, Poultry and Fish Section, OIT, Department of Commerce; R. W. Tyson, Economic Cooperation Administration; and R. H. Fiedler, Paris office, Economic Cooperation Administration.

Wisconsin Canning History

(Concluded from page 281)

made payable to the Wisconsin Canners Association, Madison, Wis., sponsors of the publication.

Besides the historical chapters, the volume contains an outline of canning progress by Dr. E. J. Cameron, Director of the N.C.A. Washington Laboratories and a chapter by Prof. E. J. Delwiche on his life work in improving and developing new varieties of seed peas. The balance of the work was written and edited by Mr. Stare and among its chapters are the following: Aphids; Application of Science; Canning Factory Fever, Promoters, and Ghosts; Development of Canning Machinery; Mergers, Consolidations and Acquisitions; Old Timers and Others; The University, College of Agriculture and the Canning Industry; and Wisconsin Field Brokers.

One section covers the activities of the Wisconsin Canners Association and its predecessor, organized in 1905. More than half the book is given over to individual histories of more than 275 different canning companies, partnerships, individuals, reorganizations, and name changes.

The author, Mr. Stare, is a veteran canner, resident of Columbus, Wis., whose life work in and for the canning industry is universally known. An active worker in the affairs of both his national and state associations, Mr. Stare has held office and served on numerous important committees of both organizations. He was elected vice president of N.C.A. in 1944 and was president in 1945 and 1946.

New Association Members

The following firms have been admitted into membership in the Association since July 9, 1949:

Burk Canning Company, Inc., Army & Pine St., Bellingham, Wash.

E. L. Davis Canning Co., P. O. Box 99, Palmetto, Fla.

Pacific Packing Co., Anacortes, Wash.

Totem Sea Foods Co., Tenakee Springs, Alaska

Westward Packing & Trading Co., 201 National Bldg., Seattle 4, Wash.

Wood Hand Pack Company, Naknek, Alaska

BUILDING

West Coast Building Sold

The Western Subcommittee of the Association's Buildings Committee is proceeding with its program of locating suitable new building facilities for the N.C.A. Western Branch, following the recent sale of the property on Steiner Street, San Francisco. Final papers were signed August 16, transferring the deed to the San Francisco Community Chest. After acquisition of the Steiner Street property the Committee found that costs of adapting the building to Association activities would be prohibitive and impracticable.

TECHNOLOGY

Food Course at I.I.T.

Illinois Institute of Technology will offer a graduate course in food acceptability techniques beginning September 21, 1949, and continuing through January 25, 1950.

Consisting of 16 two-hour lectures, the course has been organized by and will be under the direction of Colonel Rohland A. Isker, secretary of Associates Food and Container Institute, Chicago, and a member of Illinois Tech's food technology council.

Graduate students in food technology (or equivalent) and any qualified persons in the food processing industries are eligible to enroll in the course.

It may be taken with or without academic credit. Those seeking credit will be required to take a final examination. Lectures will begin at 6:10 p. m. Tuition is $35. Applications for registration or further information should be sent to the Dean of the Graduate School, Illinois Institute of Technology, Technology Center, Chicago 16.

Canadian Food Convention

The next annual convention of the Canadian Food Processors Association will be held January 23 and 24, 1950, in Montreal, it has been announced by P. R. Robinson, secretary-manager.

TABLE OF CONTENTS

	Page
Congress	
Senate to debate wage-hour	281
Pricing bill in conference	281
House bill would restrict acquisition of assets	281
Social Security bill reported	282
Employment units switched	282
Canning exemptions provided canners in Lucas bill	282
Publicity	
Wisconsin canning history	281
Standards	
Canned mushroom hearing	281
Taxes	
Report on N. Y. City tax	281
Statistics	
Canned vegetable prospects	282
Sour cherry production	283
Death	
Navy Captain Ney dies	283
Personnel	
New Pomona plant manager	283
Campbell executive promoted	283
Association officers	283
Kitchen appointed to ECA	283
Ritter sales manager	283
New association members	284
Procurement	
Invitations for bids	283
Fisheries	
Carry to represent State Department at FAO meeting	284
Building	
West Coast building sold	284
Technology	
Food course at I.I.T.	284
Meeting	
Canadian food convention	284